4:Grajdanzev--29 S-4 (no date) 1942 Formosans
116, 161, 511

"Native and Japanese Standards of Living as Reflected in Vital Statistics

The high absolute and relative rates of growth of population in Taiwan are extremely interesting and may be illustrated in the following way: in 1937 245,000 children were born in Taiwan—one-third the number of children born in Great Britain and one-fifth of those born in Germany, although the total population of Taiwan is but one-seventh and one-twelfth respectively as great as that of those countries. In other words Taiwan's future population will be much larger than the present figure suggests. If every year about 100,000 persons reach an age of eighteen now, in twenty years their number will almost double. If the islanders are to retain the same standard of life, agricultural and industrial production should increase at the same rate as population and if they are to raise this standard agricultural and industrial production should grow at an even greater rate. This rapid growth of population—more than 130,000 additional mouths each year—raises grave issues for the authorities. As we shall see later, this problem has not been solved and indeed is unlikely to be solved under conditions existing on the island."

4:Grajdanzev--56 S-4 (no date) 1942
116, 171, 262, 439, 511, 177.43
636.43

Formosans -1-2
Japan

"Taiwan is famous for its rice production of which it exports almost half. The opinion of Japanese economists is that exports of Taiwan's rice to Japan brought to the island such prosperity that some measures had to be taken to curb it. But the data presented in this table [See page 55--analyst] show quite a different picture. In 1905 the annual per capita consumption of rice in Taiwan was about 1.25 koku. Then it fell, but an increase in production brought it back to that level in 1925. At about that time the heavy exports of Taiwan's rice to Japan started: These exports brought a sharp fall in per capita consumption—it fell to 0.87 in 1935 and has remained on about the same level since that time. Now, 0.87 koku per year is about 0.8 pound per person per day. It was pointed out that the production of other cereals in Taiwan is almost nil. Only sweet potatoes form a significant addition to the diet (more than one lb. per person per day). Some wheat flour is imported but this amounts to only two to three per cent of the exports of rice (by weight).

These figures are for the total population. But the urban dwellers are probably better off than the farmers, so that the average for farmers should be less than 0.87 koku. Exports of rice from Taiwan to Japan cannot therefore be taken as a sign of Taiwan's prosperity, for they resulted in a fall in standards of living for the Chinese in Taiwan. Data for the last five years show that the annual average consumption of rice in Japan is about 1.10 koku, while in Taiwan it is 0.84. In other words, per capita consumption of rice in

4:Grajdanzev--56 S-4 (no date) 1942 Formosans-2
116, 171, 262, 439, 511, 177.43 Japan
636.43

Japan is thirty-one per cent higher than in Taiwan, though the Japanese consume in addition considerable amounts of wheat, barley, and other cereals, which are almost entirely absent in Taiwan, to say nothing of sweet potatoes."

4:Grajdanzev--64-65 S-4 (no date) 1942 Formosans
116, 171, 263, 511

"As with rice it is interesting to note the per capita consumption of sugar in Taiwan. Although almost ninety-five per cent of the sugar output is exported, per capita consumption of sugar in Taiwan was 15.9 kin in 1938, as compared with [65] 23.5 kin in Japan. In other words Japan's consumption is forty-three per cent higher than Taiwan's (1).

1. These figures are taken from Keizai nenkan, 1940, of Toyo keizai shimposha, pp. 205, 206."

4:Grajdanzev--65-66 S-4 (no date) 1942 Formosans -1-2

116, 245, 439, 511

"Tea produced in Taiwan is chiefly of three sorts—black tea, oolong tea (famous for its aroma) and pouchong tea 'wrapped'—paochungch'a. Production is as follows:

Production and Exports of Tea in Taiwan

Quantity (1,000 kin = 600 kg.)

	1914	1934	1935	1936	1937	1938
Oolong tea	...	5,292	5,280	5,049	3,487	4,519
Pouchong tea	...	5,666	5,685	5,923	4,905	5,929
Black tea	...	6,021	5,490	6,508	10,562	9,835
Total production, incl. others	22,000*	16,997	16,468	17,486	18,955	20,285
Exports		16,641	15,768	16,741	18,604	19,057

Values in thousand yen

	1934	1935	1936	1937	1938
Oolong tea	3,562	3,538	3,571	2,871	3,715
Pouchong tea	3,075	3,086	3,394	3,163	3,677
Black tea	4,250	3,964	4,518	7,418	6,844
Total Incl. others	10,894	10,594	11,486	13,452	14,237
Exports	11,047	9,325	10,200	12,851	12,742

* Approximately

Sources: Keizai nenkan; Nogyo nenkan; Taiwan Jijo.

4:Grajdanzev--65-66 S-4 (no date) 1942 Formosans-2

116, 245, 439, 511

[66] Average production for the last five years was 18,038,000 kin, average exports 17,362,000 kin."

4:Grajdanzev--71 S-4 (no date) 1942 Formosans
116, 171, 241, 311, 433, 511, 177.24 Japan
636.24

"It is worth while to observe that in our investigation of agricultural production in Taiwan the figures analyzed were averages, and no question was raised as to whether these averages may be considered representative. The one-sided development of agriculture was emphasized, especially the cultivation of rice and, to a lesser extent, of sugar cane. It is known that one-sided development of agriculture results in soil exhaustion unless sufficient quantities of fertilizers are used, but it was shown that the application of fertilizers is practised on a much smaller scale than in Japan. It was shown also that cultivation is on a low level, yields are low, technique is backward, the draft animal supply is insufficient and per capita consumption of cereals is considerably lower than in Japan.

The expansion of rice production which took place was due chiefly to the increase of the irrigated area and to the increase of acreage from which two crops can be obtained —largely through irrigation and improvement of fields. In the production of sugar cane considerable success has been achieved in increasing the yield and sugar content of the cane. However, in the production of both rice and sugar cane the farmers received a disproportionately small share of the gains."

4:Grajdanzev--83-84 S-4 (no date) 1942 Formosans
116, 241, 427, 511, 556

"We have no recent figures of tenancy conditions but, according to an investigation made in 1927, the position of the average farmer-tenant appeared as follows (on land of average quality in paddy with two crops a year):

	yen
Value of crop from 0.75 ko	325
Rent	160
Balance	165

Thus his reward for his and his family's labor for the whole year was ¥165, minus the expenses of production apart from labor. From this sum house taxes, indirect taxes, etc. must be paid. This income of ¥165 may be compared with the income of a landowner who had 15.5 ko (the average for the upper group of landowners) and leased all this land to tenants. His yearly income would be ¥2,480.

These conditions may not exist now, since the above figures refer to 1927. Official sources do not give new figures, but a few calculations show that the situation has not greatly changed. As has been shown, the proportion of tenants to the total number of farmers has increased since that time, so [84] that competition among them must be stiffer, and there is no reason to expect that rents are lower. The value of two crops of rice from 0.75 ko of paddy in 1937 averaged ¥515 but prices general in 1937 were at least thirty per cent higher than in 1927. All this suggests conditions of poverty among the tenants and the position of even the majority of so-called owners may be not much better."

4:Grajdanzev--117 S-4 (no date) 1942 Formosans
116, 465, 472, 511, 563

"We saw previously that the development of modern industry in Taiwan did not benefit the Chinese as entrepreneurs. Now it becomes evident that it brought very little to them as workers. If we use Engel's ratio of sixty per cent as an estimate of the share of wages spent on food in low-wage countries, it appears that the wages of the unskilled worker in Taiwan can purchase about one pound of rice per day for each member of his family."

4:Grajdanzev--119 [2] S-4 (no date) 1942 Formosans
116, 171, 497, 511, 563, 177.49 Japan
636.49

"From the table given above [see table on page 118 under category 116--analyst] we see that a Japanese makes almost five times as many trips a year as does a Taiwanese --whereas the movement of the freight appears relatively as large as in Japan. The movement of passengers reflects the conditions of life of the natives while the movement of freight in Taiwan is the movement of Japanese freight to and from ports--coal, sugar, rive, fertilizer, lumber, and sugar cane (1) (in the order of freight carried)--

> 1. Sugar cane is in sixth place because the bulk of its [sic] transported on special railroads.

which, as will be shown later in more detail, serve chiefly the Japanese economic machine. The statistics of revenue show that the average cost per ton of freight in Taiwan is less than in Japan (¥2.26 as compared with ¥2.34). It may be said that this is quite reasonable because in Taiwan average distance over which the freight is moved is less. On the other hand, the average passenger cost per trip in Taiwan is twice as high. In spite of the smaller scale of operation, the railways of Taiwan bring a net return of eight to nine per cent as compared with six per cent in Japan (1937)."

4:Grajdanzev--128 S-4 (no date) 1942 Formosans-1-2
116, 453, 458, 511, 563

"The banks enumerated above [see page 127 in category 116--analyst] are Japanese, and the only institutions in which the Chinese have some measure of influence are the credit cooperatives, which will be discussed later. The table below summarizes information on deposits of all financial institutions of Taiwan.

Growth of Deposits of Financial Institutions in Taiwan
(1,000,000 yen)

	1926	1928	1930	1932	1934	1935	1939
Banks	102.9	111.9	101.2	133.2	152.2	173.0	270.3
Post office	9.1	13.3	16.5	18.1	21.4	23.7	34.8*
Credit cooperatives	28.0	34.9	34.6	47.7	65.5	77.9	118.2†
Total	140.0	160.1	152.3	199.0	239.1	274.6	423.3*†

* Post-office savings deposits on Dec. 31, 1938.

†Of which rural credit cooperatives accounted for ¥87,230,000 on Dec. 31, 1938.

The amount of deposits in Taiwan has thus trebled in thirteen years. In order to judge whether this is a sign of a sharp improvement of the economic position of the islanders, it is necessary to know (1) whether the increase in deposits comes chiefly from Japanese or from Chinese sources, (2) whether the increase in deposits of the Chinese is a real

increase, or whether it only reflects a change of habit (it is evident that the transition from subsistence to money economy is bound up with the increase of deposits at the banks), (3) how far this increase may be ascribed to war-time inflation.

We do not have complete data on the distribution of deposits between Japanese and Chinese, but what is available throws some light on the problem.

Distribution of Deposits in Banks and Post Offices
(million yen)

	Banks		Post offices	
	Chinese	Japanese	Chinese	Japanese
1926	33.0	69.8	2.6	6.6
1935	51.2	121.7	4.9	18.8
1938	...	...	6.9	27.9 "

4:Grajdanzev--152-153 S-4 (no date) 1942 Formosans-1-2
116, 273, 511, 563, 439, 565

"The remaining imports —— imports for consumption —— should be divided, wherever possible, into two parts —— consumption by Japanese and consumption by Chinese. Without attempting any detailed analysis we may make a few remarks on the basis of the material available. In 1939, for example, 2 million yen worth of condensed milk was imported, as well as 7 million yen worth of sake and 5 million yen worth of beer, not including local production of sake and beer. Neither sake nor beer are Chinese drinks; they are consumed chiefly by 100,000 Japanese male adults and by the troops stationed there. To take another example, in 1939 48.6 million yen worth of fabrics and clothing, including shoes, hats, gloves, buttons, pearls, combs, bracelets, laces, etc. were imported into Taiwan. From this amount 8.1 million yen worth of gunny sacks should be deducted, leaving a balance of 40.1 million. If Japanese residents were able in 1939 to spend 12 million yen on drinks (not including locally produced and consumed beverages), they probably spent not less than double this sum on clothing, shoes and other personal articles (1) which—with a [153] few unimportant exceptions—are imported from Japan.

1. That this is not an overestimate may be judged from the following figures: 77.2 yen per person per year or about 25 yen per family per month can hardly be considered as excessive for clothing (including shoes, etc.) in a country where, for example, one yard of muslin cost 1.34 yen. In a special investigation conducted in 1937-1938, which covered 355 Japanese families with 1,397 members, the average

monthly income of a family was 184.6 yen, of which 23.6 yen was spent on food, 16.9 yen on lodging, leaving an ample margin for clothing and other expenditures. (Data on budgets from the Toyo keizai tokei geppo, July, 1940). An investigation conducted in Japan proper in 1936-1937, only one year earlier than the investigation in Taiwan mentioned above, gives the average expenditure on clothing of 10.18 yen per month for persons with an average salary of 88.37 yen; for the low income brackets it was 3.43 yen, for higher (about 100 yen), 12.18 yen. In our case the average salary is 184.6 yen, so that an expenditure of 25 yen on clothing is quite probable. See Kakei chosa hokoku, (Naikaku tokei kyoku) Tokyo, March, 1938.

If this is true , then not more than 3 yen per capita were spent on imported clothing by the Chinese in 1939 (2). But, as was pointed out in the preceding pages, the Chinese

2. The correctness of our estimate is supported by the budget estimates made by the government officials in 1936 and quoted by Nasu (op. cit.). According to them, the per capita annual expenditure on clothing of a representative Taiwanese farmer was 6.02 yen in 1936. This figure includes imported and locally produced clothing (shoes, hats, etc.) whereas our estimate is for the imported textiles only.

society in Taiwan is not uniform. Its wealthier members spend on clothing many times more than the small farmers, workers, or tenants."

4:Grajdanzev--154-155 S-4 (no date) 1942 Formosans -1-3
116, 171, 465, 511, 556, 563, 177.43 Japan
636.43

"The profits and emoluments which the Japanese get from Taiwan may be divided into two parts, that which they consume in Taiwan itself and that which is sent to Japan or invested in business. Consider first what the Japanese consume on the island. We shall assume that the workers and the lesser officials consume the whole of their income—any error which this hypothesis may involve will be small. Skilled Japanese workers in Taiwan earn about 700-800 yen a year and subordinate officials, who form the bulk of the Japanese population, earn about 1,200-1,500 yen a year. There are Japanese who earn and spend much less than the skilled worker and also rich Japanese who spend much more than 1,500 yen. Let us [155] assume that 1,500 yen is the average annual amount spent by a Japanese family in Taiwan and that in each family only one person is working (1). On these assumptions the disbursements of the Japanese popula-

1. It is interesting to note that the budget investigation conducted by the government-general in 1937-1938 based on 355 'representative' Japanese families comprising 1,397 persons arrived at an average of 184.56 yen per month or 2,215 yen per year. This investigation does not include the richest families but does include poorer groups (18 families with incomes below 840 yen a year) showing that our estimate of 1,500 yen is certainly not above the average, but quite probably below it. The same source gives budget figures for the Chinese on the island, but they cannot be used for purposes of accurate comparison because they embrace only the

higher brackets of wage earners and salaried men. Their average earnings are 137.33 yen per month, though the official average daily wage is 1.27 yen, but those receiving less than 40 yen per month comprise only one percent of the cases investigated.

tion in 1938 are estimated at about 90 million yen. Of course, a part of this outlay would be made if Chinese workers and officials, working as hard and as well as the Japanese (2), were substituted for the latter. The average Chinese worker does not earn more

2. An official source says of the Chinese in the service of the Post Office that they 'have shown themselves as satisfactory postal employees as the Japanese in the same capacity.' (Taiwan, its System of Communications and Transportation. p. 24.)

than 380 yen a year (3), and a Chinese official earns about 600 yen. Thus the same num-

3. Based on the official daily average of 1.27 yen multiplied by 300 (days).

ber of the Chinese would cost only about 36 million yen, or about 54 million yen less than the Japanese. We shall see that this is not the chief item in the list of benefits

which Japan derives from possession of the island (4).

4. The budget investigation conducted in Japan in 1936-37 gives the average monthly income as 90.59 yen per family for 558 families, while that in Taiwan in 1937-38 gives an average 184.56 yen for 355 families. If the groups included are reasonably comparable, as seems probable, the difference between the average earnings of the two groups gives some indication of the net advantage of the Japanese occupied in Taiwan and their 'dividend' in the colonial profits."

8: Chen--441 [2] N-3 (no date) 1951 Formosans
116, 162, 241, 311, 511

"SIZE OF FARMS

The agricultural population of Formosa is constantly increasing, though the percentage has fallen a little. But the area of cultivated land cannot be extended; consequently, the farms are generally very small, as in the provinces of China proper; moreover, the inheritance system breaks up the farms and further reduces the average size. From 1936 to 1945 the total area of cultivated land in Formosa averaged 846, 552 hectares, the number of farm families 448, 474; thus each farm family had only 1. 89 hectares of cultivated land. Although this seems larger than the average farm on the mainland of China, Formosan farm families average 6. 7 persons, as compared with 5. 4 persons on the mainland.

In 1939 more than 85 per cent of the farm families had less than the three hectares estimated necessary to maintain a comparatively reasonable standard of living (Table IV); and at present, because of the usurpations and annexations of the landlords, about 46 per cent operate farms of less than one hectare, of which 26 per cent are less than 0. 5 hectare. The poverty in rural districts and the hard life of farm families are plain. Those who operate farms of more than 10 hectares are less than 1 per cent of the total number of farm families."

15: U.S. Navy--23 [10] (no date) 1944 Formosans
116, 167, 511, 609 Japanese
636.16

"Immigration of Japanese agricultural workers has been encouraged both by the Government, directly, and by the development companies in which the Government has large interests. Attempts have been made to establish agricultural villages here and there, in the hope that such settlements would help advance the assimilation and control program. These settlements have been a failure. Thirty-eight were projected, eight were actually established, and all had failed by 1910. The native Formosan-Chinese populace was too hostile and the competition in living standards too great for the Japanese immigrants to bear. A second colonization plan, begun in 1910, succeeded in establishing three villages with a total of 3,368 persons settled. These have not flourished, though they continue to exist. They now have fewer settlers than in 1910.

The Government has made several attempts to attract and establish Japanese fishermen, but with practically no success, despite the government subsidies granted to them."

15: U.S. Navy --24
116, 484, 493, 511

(no date) 1944

Formosans

"Any tendency to move about within the island is held to a minimum because of limited rail and bus services, the absence of private motor vehicles, and the absence of incentives other than commercial interest. An agricultural population which has no surplus of cash finds little reason to move about from place to place. The tourist or sightseeing traffic is from Japan Proper or created by the Japanese upper class who are resident on the island. Commercial traffic along the main railway lines consists of agents travelling from centers of production to the ports and marketing centers."

15: U.S. Navy--26 [12] (no date) 1944 Formosans
116, 511, 656, 177.65 Japanese
636.65

"The Japanese have immeasurably improved living conditions in Taiwan by systematically developing communications, public health measures, commodity distribution, agricultural planning and the like. Their efforts have been directed toward the improvement and control of the livelihood of the Formosan in order that he may better contribute to the total economic and strategic value of the [redacted]nd. Brigandage has been eliminated and the roads made safe. The whole organization [redacted] Formosan life has gone through much the same development and standardization that Japan has experienced since 1868, save that in Taiwan change has been an official policy executed methodically under police supervision with no regard to local opinion or tradition."

15: U.S. Navy--26-27 (no date) 1944 Formosans
116, 511

"With some compromises Caucasians find it possible to live in Japanese fashion and in better-class Formosan-Chinese [27] homes and temple hostelries, which are scattered among the foothills."

15: U. S. Navy--27 [2] (no date) 1944 Formosans
116, 556, 511, 596

"Among the Formosans there is little outward display although there are several notably wealthy families. The majority of Formosans are impoverished farmers, but the natural richness of the land, the favorable climate, the quality of the soil and the communal nature of the Chinese family system which permits the individual to share equally in the total goods of the family, combine to prevent such great extremes of destitution as are to be found on the China mainland only 90 miles away."

15: U.S. Navy -- 27 [6] (no date) 1944 Formosans
116, 454, 511, 556, 563

"As an indication of the relative wealth of individuals in Taiwan, it is notable that bank and postal savings deposits of Japanese in Taiwan are from seven to ten times larger than the average deposits of Formosans. It will be noted in the following table that per capita wealth increased rapidly until the outbreak of war between Japan and China in 1937.

Table 22: Average Savings per Depositor in Post Office Accounts

	1921	1929	1934
Japanese	¥33.3	¥51.0	¥146.5
	($15.98)	($23.96)	($44.27)
Formosan	¥8.2	¥16.6	¥14.2
	($3.93)	($7.63)	($4.29)"

15: U.S. Navy --27 [7] (no date) 1944 Formosans -1
116, 465, 511, 435, 556, 563

"Living conditions and the cost of living are intimately connected with the wage scale. Wages in Japan are two to three times higher than the wages of Formosans. For the skilled Formosan the average daily wage in the second half of 1938 was ¥1.13 ($.27) per day, and for the unskilled worker ¥.85 ($.17): figures based upon averages for sixty different categories. The Japanese official averages published for 1939 were ¥1.27 ($.33) for the Formosan-Chinese and ¥2.41 ($625) for the Japanese laborer. The average Formosan family consists of five persons, who must depend upon these wages. As an indication of the cost of living and the standard possible, there is presented the retail prices of some commodities in Taihoku, in May, 1939, when the yen was worth $.2596:

Table 23: Retail Commodity Prices, Taihoku, 1939

Sweet potatoes per kin (1.3228 lbs.)	6.4 sen
Rice (first grade) " " "	11.0 "
Sugar " " "	29.0 "
Pork (av. quality) " " "	43.0 "
Fish " " "	18-22.0 "
Chicken eggs, each	6.0 "
Soap per piece	10-17.0 "
Matches, per box	1.4 "
Firewood (per 100 kin)	180.0 "

Table 23: (cont.)

Miso (bean paste) (100 momme: 0.827 lbs.)	8.0 sen
Muslin, per yard	134.0 " "

15: U. S. Navy —27 [8] (no date) 1944 Formosans
116, 434, 511, 556

"The restrictions and rationing of food, clothing and fuel which have gone into effect throughout the empire, are felt more keenly by the Japanese because of their higher standard of living. A number of essential articles were unobtainable or only occasionally obtainable late in 1940 at Taihoku."

15: U.S. Navy--27 [10] (no date) 1944 Formosans
116, 465, 511

"The rapid advance in the cost of living and its adverse effect on living standards must be kept in mind when notice is taken of wages listed in the Economic Supplement."

15: U.S. Navy--27 [13]
116, 291, 511, 177.29
636.29

(no date) 1944

Formosans
Japanese

"For years the Japanese have tried to encourage the wearing of Japanese clothing, or at least to abandon traditional Chinese dress for western style clothing. After the war with China began in 1937 the requirement was made mandatory, but had little or no effect. The population is generally too poor to change its entire wardrobe at the wish of the Japanese."

15: U.S. Navy--30 [7] (no date) 1944 Formosans
116, 565, 511, 105

"The worldly possessions of a coolie-class Formosan-Chinese, the day laborer of the towns and villages, consist of the blue cotton clothes on his back, and perhaps a change for special occasions, a loose smock-like upper garment and black trousers for his wife with an ornament and black headband to wear upon her head, similar clothes (though perhaps in white or light blue) for the younger members of the family, and the simplest of furniture in the house. A table, benches, one or two wooden springless beds, a brazier for cooking, together with chopsticks, bowls, a pot or two, some cups without handles, and the kitchen knives, make up the furniture. If the family can afford it, there may be a bicycle and a two-wheeled carry-all bicycle trailer called a 'riakka' (from the English 'rear-car'), which can be used for hauling an incredible number of objects, including the elders in the family, or livestock for the market. For those who cannot affort [sic] a bicycle, a simple shoulder pole with ropes and side baskets may suffice as professional equipment. For rainy weather, a coconut palm fiber raincape is worn, making the figure seem grotesque to unfamiliar eyes."

15: U.S. Navy--31 (no date) 1944 Formosans
116, 511, 177, 563, 342

"The Japanese have the highest average living standards. Insofar as their mode of living is concerned there is little to distinguish the Japanese here from the Japanese in the homeland, except that the wage scale of the former is higher. Without modification the Japanese retain their native style of architecture, which is admirably suited to a sub-tropical climate. A platform is raised about two feet over the ground. On it a layer of thick straw mats is laid. A tile roof is erected over this and the space between roof and floor enclosed by light planking and sliding panels of glass panes or paper."

15: U.S. Navy--32 [8] (no date) 1944 Formosans
116, 465, 511, 563

"The Formosan-Chinese can work at a lower wage-scale than the Japanese, but at the same time are supposed to be less efficient."

45:Stanford U. S-4, 5 1956 AD1 Formosa
AD1

465 Roughly 85 per cent of the gross receipts of
434 the laborers and self-employed are in cash, and 15 per cent in other allowances and payment in kind. For the civil servants, only about one-half is in cash. Payment in kind consists of rice, edible oil, salt, and charcoal. For instance, there is a monthly allowance of 66 pounds of rice to each laborer and each adult family member living with him, as well as one-half of that amount to each child under 10 years of age. The total rice allowance for each labor household, however, is restricted to 224 pounds per month.

• 511 The relatively low standard of living of the laborers is reflected by the pattern of household expenditures, of which food expenditure comprises the major portion. A breakdown of expenditures in 1952 for the 1,383 households surveyed is shown in the table below:

• 511

PERCENTAGE DISTRIBUTION OF EXPENDITURES ON SPECIFIC ITEMS - 1952*

	All Groups	Laborers
Clothing	8	7
Food	62	70
Medical	9	4
Religious and Social	14	11
Miscellaneous	7	7
Total	100	99#
Total NT $ of above items	5,484	3,712

* A. F. Raper and others, op. cit.

The percentage is given in nearest whole numbers; hence 99 instead of 100.

The above expenditures cover only a selected list of items and apparently do not cover expenditures for housing and various other items. When these money expenditures are deducted from the 1952 gross income, the residual amount would average NT $200 for all the groups, and NT $114 for laborers. The residual amount is not enough to provide for adequate housing for the workers whose employers do not provide free housing, to say nothing of taxes and other daily necessity items not covered in the survey list.

423 The benefits of the rent-reduction program
427 are noticeable in the improvement of the
511 tenant farmers' living conditions. The saving in rent payments, amounting 25-30 per cent of their gross income, can now be used to buy new clothing for their families, to send their children to school, to repair their houses, or to purchase farm land. They also work harder
423 because any inc reace in production accrues to
433 them. This factor contributed to the substantial annual increase of rice production from 1949 to 1954.

Production of Unhulled Rice*

Year	Metric Tons
1949	1,215,000
1950	1,421,000
1951	1,485,000
1952	1,570,000
1953	1,642,000
1954	1,695,000

* Taiwan Economic Data Book, compiled by FAO Mission to China, Part II, Vol. III, March 1955, Taipei, p. 5. The average production of rice per hectare increased from 1,624 kilograms in 1949 to 2,183 kilograms in 1954. Central Daily News, Oct. 22, 1955, p. 3.

52:Barclay S-5 (nodate)1954 AD1 Formosa AD1

CHAPTER III

Economic Activities and Social Change

THE activities, interests, and aspirations of the Japanese community in Taiwan were things that existed apart from the indigenous population. These elements were never effectively communicated to the Taiwanese—partly through a design to withhold them, and partly through reluctance among the people of Taiwan to accept them. Consequently the conduct of Japanese residents is not of much help in understanding the accustomed modes of life among the island's people. It is the latter problem that has the more interest for demography, and makes it essential to consider the background of social order in Taiwan and the changes under colonial rule.

The Early Agrarian Order in Taiwan

The importance of agricultural pursuits in imposing a predominantly agrarian character on a society is not a thing that can be precisely measured. Short of perfect exactitude, a great deal can be learned with lesser devices, by describing the cultural setting of agriculture in Taiwan, and pointing out how it influenced the participation by Taiwanese in the island's economy. The basis of this setting lay in the conditions that prevailed before Taiwan became a colony of Japan.

By the mid-19th century, the lowland region of Taiwan was rapidly becoming fully settled. Piracy, which had made Taiwan a scourge to sea traffic along the China coast, gradually subsided into sedentary agriculture. Most of the Chinese population was already supporting itself by farming and the marketing of farm products. Since 1700 immigration had brought in a steady stream of Chinese from the mainland. In spite of sporadic prohibitions, hundreds of thousands of peasant farmers came to seek refuge from rural poverty in South China. Once arrived, they often reverted to this same condition, by reaching unfavorable terms with some of their countrymen already entrenched there as land speculators.

Poverty tended to reproduce itself among those who reached Taiwan, though there was also great wealth open to the few who rose from cultivation to commerce. Each settled family held an advantage over newcomers. This superior position placed new migrants in

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652 Thus far, the provincial budgets have been balanced in recent years. How long the improved financial outlook will continue depends on a number of factors. Undue strain on provincial resources has been avoided by using assets brought over from the mainland and by selling government properties. Indirect benefits derived from the Economic Co-operation Administration program, which for the fiscal year 1951 amount to approximately US$40,000,000, help to arrest the inflationary trend of commodities.[29]

Living Conditions

511 In the absence of comprehensive statistics establishing the trends of per capita income in Taiwan,[30] the Nationalist policy of improving the people's livelihood may be reflected by the measures which have been taken regarding agriculture, industry, food, and other government-operated productive services

Agriculture

[162] 427 Farming population in Taiwan is estimated to be around 3,800,000. Of this number, 70 per cent are under contract as tenant farmers. Prior to the enforcement of the rent reduction program in April 1949, which set a maximum rental ceiling of 37.5 per cent, the average rental ranged from 46 to 62.5 per cent of the total yield.

In administering the rent reduction program, the provincial authorities fix a standard yield per *chia* (less than 2.5

[29] "Economic Administration Program in Taiwan," an address by Raymond T. Moyer, chief, ECA, China Mission, before the Chinese Association for the United Nations, March 17, 1951.

[30] Premier Chen Cheng states that per capita income in Taiwan has risen 30 per cent since the termination of Japanese rule (Broadcast of the Voice of Free China, Taipeh, May 12, 1951). Also estimated income in Taiwan for 1950 is NT$1,276,000,000 and for 1951

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